

# The Michigan Association of Timbermen

June 5, 2013

Michigan House of Representatives  
Transportation and Infrastructure Committee  
P.O. Box 30014  
Lansing, MI 48909-7514

Dear Committee Members,

The Michigan Association of Timbermen and all of its members **STRONGLY OPPOSES** House Bill 4632 and the increase it proposes for the log plate registration tax. Our logging and trucking members will see a minimum of a 300% increase in their registration tax under this Bill.

We propose a 20% increase across the entire spectrum of vehicle registration taxes. An equal increase for all users in all categories.

In addition, we also support the Secretary of State developing a method of validation for the issuance of the log plate to assure that those receiving the plate are thus actually eligible under the language of the law.

While many question the rationale to keeping the log plate at a highly reduced rate, we offer the following key points regarding the log plate specifically and why it is so important.

- **Loggers operate in an extremely fixed cost market.** They have no way of transferring an increase in their registration tax on to a consumer. It will continue to degrade an already struggling segment of Michigan's small business sector.
- **Log trucks spend at least 50% of their time on the road WITHOUT cargo.** Driving from the mill back to the job site is EMPTY. Driving from the base location to the job site each day is EMPTY.
- **Log trucks already pay other additional taxes for the trucks, trailers, tires, and fuel (Federal Excise Tax, highway use tax, diesel fuel tax)** It currently costs an average of \$1.33 per mile to drive a log truck based on current \$4/gallon on-road diesel and 3 miles per gallon consumption.
- **Log trucks can only haul LOGS.** They are designed and used for no other purpose unlike a commercial truck that can haul a vast array of materials and goods to increase profit and reduce empty back-hauls.

The logging and log trucking businesses in Michigan support a fair and equitable 20% increase for EVERYONE in Michigan but **OPPOSE** an extreme increase in their own plate fees in an attempt to generate revenue for the failing roads across Michigan.

Sincerely,



Brenda Owen, Executive Director

